



## ONO ANNOUNCES THE ACQUISITION OF AUNA TLC

**Madrid, 29 July 2005.-** Grupo Corporativo ONO (ONO), one of Spain's leading broadband service providers, announced today that it has reached an agreement with Grupo Auna and its principal shareholders, Endesa, Grupo Santander and Unión Fenosa to acquire 100% of Auna TLC, the fixed line and cable business of the Auna Group, for approximately €2.250 million.

The acquisition, subject to closing, will be financed, in part, through a capital increase of €1,000 million to be provided by a group of funds comprising JPMorgan Partners, Providence Equity Partners, Quadrangle Capital Partners and Thomas H. Lee Partners. The remainder of the financing will be provided by a series of senior and subordinated debt facilities, which will refinance the enlarged ONO.

Commenting on the transaction, Eugenio Galdón, President of ONO stated, *"Spain's telephony, internet and television customers are fortunate and they will soon see why. Service will improve and prices will be more competitive thanks to the merger of the two cable companies. The enlarged company will be a cornerstone in the future development of the Information Society in our country.*

*"The team at ONO, led by our CEO Richard Alden, have built a credible, efficient and valuable business that deserves to continue to grow. The acquisition of Auna was a logical step in our national expansion strategy",* he concluded.

Richard Laxer, President and CEO of GE Commercial Finance, Corporate Financial Services, Europe, ONO's largest individual shareholder, added, *"GE congratulates the ONO management team on the announcement of what is a transformational acquisition. Having invested in ONO as a founder shareholder in 1998 we now welcome our new partners into the company and look forward to participating in an exciting future with the enlarged ONO group".*

Timing and further details regarding the transaction will be provided once regulatory approval has been obtained and on closing.

ONO has been advised on the transaction by JPMorgan, as financial advisor, and Linklaters as legal counsel.

**About ONO:**

ONO is one of the leading broadband service providers in Spain. It offers direct access telephony, pay television and internet access services to the residential market where, prior to this transaction, it had a potential market of over seven million homes. In the business market, ONO offers advanced voice, data and value-added services across its own high capacity local access and national backbone networks. ONO's shareholders are Bank of America, Caisse de dépôt et placement du Québec, General Electric, Grupo Ferrovial, Grupo Multitel, Santander Central Hispano, Sodinteleco and VAL Telecomunicaciones.

**About JPMorgan Partners:**

JPMorgan Partners (JPMP) is a leading private equity firm with over \$11 billion in capital under management as of June 30, 2005. Since its inception in 1984, JPMP has invested over \$15 billion worldwide in consumer, media, energy, industrial, financial services, healthcare, hardware and software companies. With more than 80 investment professionals in five principal offices throughout the world, JPMP is an experienced investor in companies with worldwide operations. Underpinning this platform is a global integrated network, which enables JPMP to draw on expert resources residing within JPMorgan Chase, its extensive portfolio and worldwide contact network. Selected investments include: AMC Entertainment, Berry Plastics, Cabela's, National Waterworks, Pinnacle Foods, PQ Corporation, SafetyKleen Europe, Vetco International and Warner Chilcott. JPMP is a private equity division of JPMorgan Chase & Co. (NYSE: JPM), one of the largest financial institutions in the United States, and is a registered investment adviser with the Securities and Exchange Commission.

**About Providence Equity Partners:**

Providence Equity Partners Inc. is a global private investment firm specializing in equity investments in communications and media companies around the world. The principals of Providence Equity manage funds with over \$9.0 billion in equity commitments, including Providence Equity Partners V, a \$4.25 billion private equity fund, and have invested in more than 80 companies operating in over 20 countries since the firm's inception in 1990. Significant investments include Metro-Goldwyn-Mayer, Warner Music Group, Recoletos, PanAmSat, VoiceStream Wireless, eircom, Casema, Kabel Deutschland, ProSiebenSat.1, and

Bresnan Broadband Holdings. Providence Equity has offices in Providence, Rhode Island (USA), London, England, and New York, New York (USA).

**About Quadrangle Group LLC:**

Quadrangle Group LLC manages more than \$4 billion through Quadrangle Capital Partners, its private equity funds that specialize in the media and communications industries, and Quadrangle Debt Recovery Advisors, which invests in debt securities across all industry groups. Founded in 2000, Quadrangle is an existing investor in ONO and has sponsored investments in ProSiebenSat.1 Media AG, Protection One, Inc., NTELOS, Inc, Cablevision and DataNet Communications.

**About Thomas H. Lee Partners:**

Thomas H. Lee Partners, L.P., is a Boston-based private equity firm focused on identifying and acquiring substantial ownership positions in growth companies. Founded in 1974, Thomas H. Lee Partners currently manages approximately \$12 billion of committed capital, including its most recent fund, the \$6.1 billion Thomas H. Lee Equity Fund V. Notable transactions sponsored by the firm include Fisher Scientific, Houghton Mifflin, Michael Foods, Nortek, Rayovac, Refco Group, Simmons Company, Transwestern Publishing, Warner Chilcott and Warner Music Group.

**For further information:**

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